



17 APR 1959

Mr. Phillip S. Hughes
Assistant Director for Legislative Reference
Bureau of the Budget
Washington 25, D. C.

Dear Mr. Hughes:

Thank you for your memorandum of 17 April 1959 requesting our views on the Office of Civil and Defense Mobilization draft bill, "The National Defense Civilian Reserve Act." We have carefully reviewed the OCDCM proposal.

I note the proposed letter from the Director of the Office of Civil and Defense Mobilization to the Speaker of the House and the President of the Senate states that the Central Intelligence Agency has need for a National Defense Civilian Reserve unit. Insofar as legal authorities are concerned, we do not have a requirement for specific statutory authorization of this type. In fact, this Agency has in existence a program the objectives of which are quite similar to those of the draft legislation. However, the OCDCM proposal does contain provisions which would be of value to this Agency.

Section 7 of the draft bill provides that members of reserve units may be "provisionally appointed" to positions in the department concerned. In the absence of statutory definition of the term "provisionally appointed," it is possible that it may be susceptible of differing constructions. In addition, the provision in this section that members of the reserve who are called to active duty shall be temporary employees may be unnecessarily restrictive to be included in the law.

Other than the above comments, this Agency would have no objection to the enactment of the draft bill in its present form.

Sincerely,

s/ John S. Warner

**John S. Warner
Legislative Counsel**

CONCURRENCE:



- Director of Personnel

STAT

Date

Distribution:

O & 1 - Addressee

1 - A-DD/S

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✓ 1 - LegCounsel (Subj.)

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OGC/LC/GLC/cmj (17 Apr 59)

1 - Comptroller

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON 25, D.C.

MAR 12 1961

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer

Departments of:

Defense

Agriculture

Post Office

Labor

Commerce

Justice

Interior

Health, Education and Welfare

General Services Administration

✓ Central Intelligence Agency

Civil Service Commission

Housing and Home Finance Agency

Veterans' Administration

Selective Service System

SUBJECT:

Draft bill "National Defense Civilian Reserve Act"

(Submitted by the Office of Civil and Defense Mobilization)

The Bureau of the Budget would appreciate receiving the views of your agency on this proposal before advising on its relationship to the program of the President.

(X) In order to permit expeditious coordination and clearance in accordance with Circular A-19, it is requested that your reply be made within thirty days.

() Special circumstances require that this be handled as a priority matter and that your views be received within two weeks.

() This is a matter of extreme urgency and your views are requested by

Questions should be referred to Wm. H. Kolberg
of the Budget, Code 113, Extension 437.

Bureau

Assistant Director for
Legislative Reference

Enclosures Copy, OCDM draft bill
and Speaker letter

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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

Identical letter to:

Honorable Sam Rayburn, Speaker
House of Representatives
Washington 25, D. C.

Honorable Richard M. Nixon
The President of the Senate
United States Senate
Washington 25, D. C.

Transmitted herewith is a draft of a bill "To authorize the establishment of a National Defense Civilian Reserve and to provide for the training of such reservists and their call to active duty in the event of a national emergency declared by the President or the Congress, and for other purposes."

The purpose of the proposed legislation is to authorize the establishment and pre-emergency training of a National Defense Civilian Reserve. Studies and experience have indicated that in the event of a civil defense emergency, or other national emergency, while certain required additional top level positions may be filled through the "Executive Reserve" Program of the Federal Government conducted under the Defense Production Act, a severe shortage of trained and skilled manpower in professional, specialized, and administrative skills at other than the executive level will exist. Enactment of this proposal will provide a system for the training of a nucleus of reserve personnel in order to effectively meet such manpower requirements during a national emergency.

Under Section 3 of the Bill, in accordance with such regulations as he may prescribe, the President may authorize the heads of Executive Departments or agencies to establish units of a National Defense Civilian Reserve. Departments or agencies having established units may select and designate persons to serve in such units and

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Honorable Richard M. Nixon

provide for their pre-emergency training, and the call of trained reservists to active duty in an emergency. Members of the reserve, who are not regular employees of the Federal Government, and who are in training status, do not become employees or officials of the Federal Government; except for the purposes of coverage under the Federal Employees Compensation Act.

Section 4 of the Bill provides for the President to make appropriate provision for the administration and operation of the Act, by delegation or otherwise. Authority and functions delegated by the President under this section may be redelegated if he so authorizes. Appropriate provision is made for regulations governing the administration and operation of the Act.

Section 5 of the Bill authorizes payment of travel expenses and per diem allowances for members of the Reserve in training status. Such expenses are to be paid in accordance with the Travel Expenses Act of 1949, as amended, and Standardized Government Travel Regulations. In addition, provision is made for the payment of certain reservists in training status, but it is expected that such payment will be held to the minimum required to reduce or eliminate hardship or inequity to the individual reservist concerned.

This provision is necessary in order to achieve a status of operational readiness for such reserve units. For example, at some Federal Regional and field offices and at emergency relocation sites of Departments or agencies, without such authority it might be impossible to recruit and train reservists at such geographic locations. Without the immediate availability of such essential operating capacity, the effectiveness and emergency readiness of such Federal offices and relocation sites would be drastically reduced. The pay provisions will enable certain reservists to undergo the necessary training without undue personal sacrifices on their part, and is therefore a necessary arrangement to effectively implement the provisions of the bill. Pay received will be at rates not in excess of those established for positions in the department for which the reserve member is being trained.

Section 6 of the Bill provides for appropriate security requirements and safeguards for the operation of reserve units. In training or

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consultant activities, and in the event of call to active duty, many reservists must have access to classified or restricted data involving the national security. The requirement of immediate availability during a period of a national emergency will not permit the delay that the post-emergency processing of security clearances would require. Accordingly, arrangements must be made for the pre-emergency security clearance. Full field investigations for members of the National Defense Civilian Reserve must be held to the minimum required for the effective operation of units concerned.

Section 7 authorizes the provisional appointment of members of reserve units to positions in the Executive Department or agency involved. Such provisional appointment is conditioned upon the completion of the prescribed courses of training, meeting the necessary security standards, the taking of the oath of allegiance to the United States, and such other administrative requirements as may be necessary.

Administrative and personnel details must be completed during the pre-emergency period in order that, upon the call of such reservists to active duty, nothing further will be required of such reservists in order to immediately enter upon and discharge their duties.

Members called to active duty under the program do not become permanent employees of the Federal Government. Upon being called to active duty they accordingly acquire no tenure or status in the competitive service. While on active duty, reserve members will be paid in accordance with the laws governing the department concerned, and will be entitled to coverage under the Federal Employees Compensation Act.

Section 8 specifically provides that members of reserve units shall be called to active duty only during a national emergency, except for training or consulting purposes.

A national emergency calling into play the provisions of the bill may be proclaimed by the President or the Congress in a concurrent resolution; or will exist during the period of a civil defense emergency proclaimed by the President or the Congress pursuant to the Federal Civil Defense Act of 1950, as amended.

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Section 9 defines "department" as used in the bill to mean (a) each Executive department; (b) each independent establishment or agency in the Executive branch; (c) each independent regulatory agency; (d) Government owned or controlled corporations; and (e) the Municipal Government of the District of Columbia

Section 10 of the bill exempts members of the Reserve who are not full-time government employees from the Conflict of Interests statutes.

Section 11 authorizes appropriations to carry out the purposes of the Act, and authorizes departments to utilize appropriations for the operation of such departments for the expenses of carrying out the provisions of the bill.

Surveys within the Federal Government have indicated the need for National Defense Civilian Reserve units in the Department of Defense, the Department of Agriculture, the General Services Administration, the Central Intelligence Agency, the Office of Civil and Defense Mobilization, and other Departments.

Enactment of this proposal would increase the budgetary requirements of the Federal Government by \$640,000 for the payment of travel and per diem expenses for the first fiscal year following its enactment. Five year costs for these purposes are estimated at \$3,200,000. Per diem payment of reservists is not expected to exceed \$250,000 per annum, or a total of \$1,250,000 for the first five years after enactment.

This legislative proposal constitutes a portion of the President's program. It is respectfully requested that it be introduced in order that it may be considered for enactment.

Sincerely,

Leo A. Hoegh

Enclosure

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A BILL

To authorize the establishment of a National Defense Civilian Reserve and to provide for the training of such reservists and their call to active duty in the event of a national emergency declared by the President or the Congress, and for other purposes.

Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled, That this
Act may be cited as the National Defense Civilian Reserve Act.

SEC. 2. The purpose of this Act is to authorize the establishment and pre-emergency training of a National Defense Civilian Reserve, in order to provide Departments and Agencies a nucleus civilian reserve staff to meet the personnel requirements of the Federal Government in the event of a civil defense emergency, or other national emergency declared by the President or the Congress; and to provide for the call of members of reserve units to active duty in the event of such an emergency.

SEC. 3. The President may prescribe such regulations as he deems necessary to provide for the establishment and operation of the National Defense Civilian Reserve, and to authorize the heads of Departments which establish units of the National Defense Civilian Reserve to select and designate persons to serve in such units, and call such persons to duty for pre-emergency training without regard to the Civil Service laws or the Classification Act of 1949, as

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amended, or other laws relating to the appointment or compensation of persons to the Department concerned; Provided, however, That while undergoing training persons designated as members of units of the National Defense Civilian Reserve who are not regularly employed by the Federal Government shall not be deemed by reason of such membership to be employees or officials of the Federal Government, except for the purpose of coverage under the Federal Employees Compensation Act.

SEC. 4. The President may provide, by delegation or otherwise, for the appropriate administration of the provisions of this Act, including such consultation as may be required with Departments designated to establish units of the Executive Reserve, and for the issuance of regulations and for the administration and operation of the program. The President may authorize the redelegation of authority or functions delegated under this Act.

SEC. 5. Any member of a unit of the reserve, who is temporarily called to duty for training purposes, may be:

(a) Paid travel expenses from his place of residence to and from his place of training, such expenses to be in accordance with the Travel Expenses Act of 1949, as amended, and Standard Government Travel Regulations; and per diem allowances in lieu

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of subsistence in accordance with applicable law (5 USC 835-842);

(b) Upon the determination of the head of the Department, any member of a reserve unit may be paid for the period of orientation and training, without regard to the Classification Act of 1949, as amended, or other pay statutes covering regular employees of the Department concerned; Provided, however, That such payments shall be made at rates not in excess of those established for positions in the Department at a level of responsibility equivalent to the positions for which the reservist received training.

SEC. 6. The President may provide by regulation for the appropriate security requirements and safeguards, including full field investigations where necessary, for members of units of Departments concerned. To the extent consistent with national security and the national interest, full field investigations shall be held to the minimum.

SEC. 7. When members of the National Defense Civilian Reserve have completed the prescribed courses of training, met the security standards, taken the prescribed oath, and met such other requirements as may be prescribed under the terms of this Act, such members may be ~~provisionally~~ appointed to positions in the

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Department and in the event of their call to active duty by reason of a national emergency, may enter upon and perform their duties without further formality or without regard to other provisions of law relating to appointment, tenure, or status, *except 2004* Members, other than employees of the Federal Government, called to active duty shall be temporary employees and shall not thereby acquire competitive status or tenure under the Civil Service or any other law, except that they shall be paid in accordance with the provisions of law governing the pay of employees for the Department concerned, and shall be entitled to coverage under the Federal Employees Compensation Act. *Under the Federal Employees Compensation Act*

SEC. 8. Except for training or consultant purposes, members of units of the National Defense Civilian Reserve shall be called to active duty only during a national emergency. Such national emergency may be proclaimed by the President or by the Congress in a concurrent resolution; or by the declaration of a Civil Defense Emergency as provided for in the Federal Civil Defense Act of 1950, as amended.

SEC. 9. Unless otherwise required by the context, the term "Department" means (a) each Executive Department, (b) each independent establishment or agency in the Executive Branch, (c) each

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independent regulatory agency, (d) Government-owned or controlled corporations subject to Title I or Title II of the Government Corporations Control Act, and (e) the Municipal Government of the District of Columbia.

SEC. 10. Members of units of the National Defense Civilian Reserve who are not full-time government employees shall be exempt from the operation of Sections 281, 283, 434, and 1914 of Title 18, USC, Sec. 4(b) of the Communications Act of 1934, as amended (7 USC 154(b)), and Section 190 of the Revised Statutes (5 USC 99).

SEC. 11. (a) There are hereby authorized to be appropriated such sums as necessary to carry out the purposes of this Act.

(b) Appropriations available to a Department having established, under the provisions of this Act, units of the National Defense Civilian Reserve, shall be available for the expenses of such units in carrying out the provisions of this Act.

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